

ND RISK MANAGEMENT WORKERS COMPENSATION FUND

State Investment Board Balance Sheet As of 6/30/2008

	As of <u>6-30-08</u>	As of <u>6-30-07</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,054,641	\$ 1,598,025
DOMESTIC FIXED INCOME	1,907,002	2,492,774
INVESTED CASH (NOTE 1)	<u>94,366</u>	<u>127,114</u>
TOTAL INVESTMENTS	3,056,009	4,217,913
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	5,654	6,615
MISCELLANEOUS RECEIVABLE	<u>6</u>	<u>5</u>
TOTAL RECEIVABLES	5,660	6,620
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	105,814	543,408
OPERATING CASH	<u>389</u>	<u>355</u>
TOTAL ASSETS	<u><u>\$ 3,167,872</u></u>	<u><u>\$ 4,768,296</u></u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	105,814	543,408
ACCOUNTS PAYABLE	27	23
ACCRUED EXPENSES	45	45
INVESTMENT EXPENSE PAYABLE	<u>4,648</u>	<u>3,092</u>
TOTAL LIABILITIES	110,534	546,568
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	4,221,728	3,765,613
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	1,000,000	0
NET INCREASE (DECREASE)	<u>(164,390)</u>	<u>456,115</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>3,057,338</u>	<u>4,221,728</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u><u>\$ 3,167,872</u></u>	<u><u>\$ 4,768,296</u></u>

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State Investment Board Profit and Loss Statement For the Month Ended 6/30/2008

	Month Ended <u>6-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 11,484	\$ 152,125
SECURITIES LENDING INCOME	331	13,970
	<u>11,815</u>	<u>166,095</u>
 GAIN ON SALE OF INVESTMENTS	 47,420	 796,841
LOSS ON SALE OF INVESTMENTS	<u>80,043</u>	<u>824,887</u>
 NET GAINS (LOSSES) INVESTMENTS	 (32,623)	 (28,046)
 INVESTMENT EXPENSES	 2,270	 12,136
SECURITIES LENDING EXPENSES	249	12,601
 NET INVESTMENT INCOME	 (23,327)	 113,312
 NET APPREC (DEPREC) MARKET VALUE	 (113,529)	 (277,402)
MISCELLANEOUS INCOME/(EXPENSE)	<u>75</u>	<u>689</u>
 TOTAL INVESTMENT INCOME	 <u>(136,781)</u>	 <u>(163,401)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	187	989
 NET INCREASE (DECREASE)	 <u>\$ (136,968)</u>	 <u>\$ (164,390)</u>

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Notes To Financial Statements
June 30, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.